



# Organizing a Business

What Types of Business Organizations  
are Available

# What If?

---

Suppose you're a whiz at computer graphics or car repair and want to go into business.



# How Do You Begin?

---

- How do you want to set it up?
- Do you want to own and operate it yourself or do you want to go into business with a friend?
- Do you want to run your own multinational corporation?



# Types of Business Ownership

---

- Sole Proprietorship – is a business owned by only one person.
- Partnership – is a business owned by two or more persons who share the risks and rewards.
- Corporation – is a business owned by many people but treated by law as one person.

# Types of Business Ownership (cont.)

---

- ❖ Franchise – is a contractual agreement to sell a company's products or services in a designated geographic area.
- ❖ Nonprofit Organization – is a type of business that focuses on providing a service rather than making a profit.
- ❖ Cooperative – is an organization owned and operated by its members for the purpose of saving money on the purchase of certain goods and services.

# Types of Businesses

---

- Producing raw goods
- Processing raw goods
- Manufacturing goods from raw or processed goods
- Distributing goods
- Providing services



# What Each Type Does!

---

- ❖ Producer – is a business that gathers raw products in their natural state.
- ❖ Processors – change raw materials into more finished products.
- ❖ Manufacturers – make finished products out of processed goods.
- ❖ Intermediary – moves goods from one business to another (wholesaler, retailer)
- ❖ Service – provide services rather than goods.

# What Type of Business Do You Want To Be In? What Type of Structure Do You Want to Use?

Partnership

Nonprofit Organization

Franchise



producer

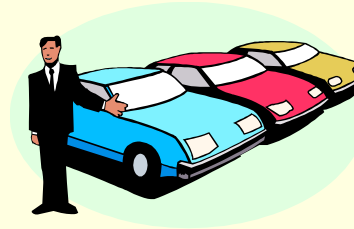


processor

Sole proprietor



manufacturer



Corporation

intermediary



service



# You Get to Choose!

---

- During the next couple of class periods you will research several different types of business structures and gather a collection of your findings.
- You will provide a rough draft of your research and present it to the class in a Powerpoint presentation lasting about 15 minutes.
- You will be graded on the rough draft and the presentation.
- Three businesses we will be looking into are:
  - Mayo Clinic
  - Nordstrom's
  - Ritz-Carlton

# High Performance Businesses!

---

- Mayo Clinic –  
[mayoclinic.org](http://mayoclinic.org)



- Nordstroms –  
[nordstroms.com](http://nordstroms.com)

NORDSTROM

- Ritz-Carlton –  
[ritzcarlton.com](http://ritzcarlton.com)

